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Trending in Telehealth: November 8 – 14, 2023

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Trending in Telehealth highlights state legislative and regulatory developments that impact the healthcare providers, telehealth and digital health companies, pharmacists and technology companies that deliver and facilitate the delivery of virtual care.

Trending in the past week:

- Coverage and Payment Parity
- Regulatory Licensing
- Interstate Compacts
- Medicaid Reimbursement

A CLOSER LOOK

Finalized Legislation and Rulemaking

- In **Florida**, the Florida Board of Psychology issued Rule 64B19-17.002 to revise the disciplinary guidelines for licensed psychologists who commit professional conduct violations. The guidelines provide for first and subsequent offenses committed by licensees, including separate disciplinary consequences for out-of-state telehealth registrants.

- In **Texas**, the state's Health and Human Services Commission (HHSC) renewed its e-Health Advisory Committee (eHAC) by final rule. eHAC currently advises the HHSC executive commissioner and health and human services agencies in the state on strategic planning, policy, rules, and services related to the use of health information technology, health information exchange systems, telemedicine, telehealth, and home telemonitoring services. eHAC was set to expire on December 31, 2023, but has now been extended for a two-year period until December 31, 2025.

Legislation and Rulemaking Activity in Proposal Phase

Highlights:

- **Michigan** proposed several bills concerning coverage and payment parity for telehealth services.
  - HB 4580 focuses on coverage parity for telemedicine services in the Medicaid context for the state's medical assistance program or Healthy Michigan program through amending the state's Social Welfare Act.
  - HB 4131 aims to amend the state's insurance code to prohibit health insurance policies from denying or restricting coverage for telemedicine services and to require that telemedicine services be treated the same as in-person medical care.
  - HB 4579 focuses on amending the state's insurance code to provide coverage parity for services provided via telemedicine.

Why it matters:

- **A push for parity.** Michigan's proposed bills are pushing for coverage parity across insurers and payment parity (*i.e.*, telehealth and in-person services must be reimbursed at equal rates). While coverage parity for private payors is already widespread across most states, there is an ongoing debate as to the benefits and drawbacks of payment parity for telehealth. Some argue that equal reimbursement rates for telehealth results in overuse, or that telehealth services are lower value and/or cause less to administer, thereby warranting the lower reimbursement rate. However, without payment parity, a lower reimbursement rate makes telehealth financially impractical for many providers, particularly those with small practices or who are working in underserved communities. The reduction in telehealth services, in turn, has a negative outcome; without as many options, patients face diminished access to care overall and to provider choice, expertise and quality.
- **Advisory committees can provide state-level oversight to health initiatives.** While some states quickly sunset their telehealth advisory councils, others continue to have telehealth and e-health advisory committees and initiatives to guide state programs. Texas' choice to renew eHAC for another two years signals a recognition of the strategic value such initiatives can bring. For example, in Texas, this committee oversees state planning, policies, rules, and services related to the use of health information technology, health information exchange systems, telemedicine, telehealth and home telemonitoring.